GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:2301
ANSWERED ON:09.03.2000
LOAN TAKEN BY RAILWAYS FROM ADB
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways have taken or propose to take loan from Asian Development Bank (ADB):

(b) if so, the details thereof;

(c) the details of projects for which the Railways has taken loan; and

(d) the terms and conditions laid down for refunding the loan?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI DIGVIJAY SINGH)

(a) to (d): A Statement is attached.

STATEMENTREFERRED TO IN REPLY TO PARTS (a) to (d) OF LOKSABHA UNSTARRED QUESTION NO. 2301 BY SH S.D.N.R. WADIYAR TO BE ANSWERED ON 9.3.2000 REGARDING LOAN TAKEN BY RAILWAYS FROM ADB.

(a) to (c) : Yes, Sir. The Asian Development Bank (ADB) has extended two loans, namely Loan No. 857-IND and Loan No. 1140-IND, to finance specific Railway Projects. An amount of US Dollar 175 million has been drawn from ADB Loan No. 857 IND and an amount of US Dollar 104 million has been drawn from ADB loan No. 1140 IND. The following projects are being funded by these two loans :-
Loan No. 857-IND

1 . Supply of 20 Nos. 3 phase high horse power freight locos from M/s A B B with transfer of technology for manufacturing at Chittaranjan Locomotive Works (CLW).

2. Mobile train radio-communication.

3. Installation of traction sub stations between Ghaziabad and Gomoh section of Northern and Eastern Railway.

4. Installation of loco simulators at Kanpur and Tughalakabad on Northern Railway. Loan No. 1140-IND

1.Construction of 3rd line between Sonnagar-Mughal Sarai

2. Electrification of Patratu-Sonnagar section of Eastern Railway.

3. BOXN Wagon Components

1. Procurement of equipments :-
i) Dynamic Track Sabilizers
ii) Points and Crossing Tempers
iii) Points and Crossing Changing Machines.
iv) Static Converter
v) OHE Inspection Car
vi) 8 wheeler Tower Wagon. Discussions are underway for a new loan from ADB for improvement in the Rail sector.

(d) : Both the loans carry a variable interest rate linked to the Asian Development Bank's Cost of Qualified Borrowings plus a spread (totalling 5.72% per annum at present) and commitment charge on undrawn loan balance at the rate of 0.75% per annum. The loans are repayable semi-annually over a period of 20 years commencing after an initial grace period of 5 years. The Government of India is the Borrower of these loans, the proceeds of which are passed on to Railways as additional budgetary support.